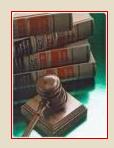
# Missouri Ethics Commission www.mec.mo.gov

#### MISSOURI MUNICIPAL LEAGUE CONFERENCE OCTOBER 6<sup>TH</sup>, 2009







This presentation is intended only as a guide to aid in understanding the duties and responsibilities of the Missouri Ethics Commission. For the Law's complete requirements, consult the law itself, codified at Chapter 105 and 130 of the Revised Statutes of Missouri.

#### Missouri Ethics Commission



## Agenda:

- ✓ About the Commission
- ✓ Advisory Opinions
- ✓ Complaints
- ✓ Conflict of Interest
- ✓ Use of Public Funds
- ✓ Personal Financial Disclosure (PFD)





#### Our Mission:

The Missouri Ethics Commission serves the public interest by assisting and educating the citizens of Missouri, public officials, lobbyists, and individuals participating in public elections while consistently and uniformly enforcing campaign finance, conflict of interest and lobbying laws.

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Check out our newsletter!





News Archive





#### What we do:

- ✓ Assist filers and accept filings for:
  - Campaign Finance 2,366 Committees in '08
  - Lobbyists 1,218 Registered Lobbyists in '08
  - Personal Financial Disclosure 8,280 filed in '08
- ✓ Provide information to the public about the filings and laws
- ✓ Issue Advisory Opinions



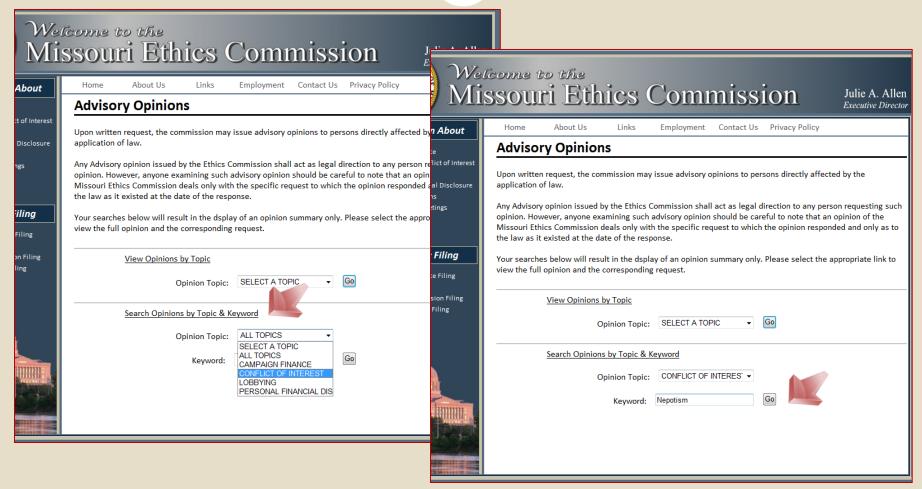
## What is an Advisory Opinion?

- ✓ Issued by the Commission upon written request
- Made by any person who would be directly affected by the application of law
- Opinion can act as a defense against prosecution
- ✓ All identifying information about the requestor is redacted

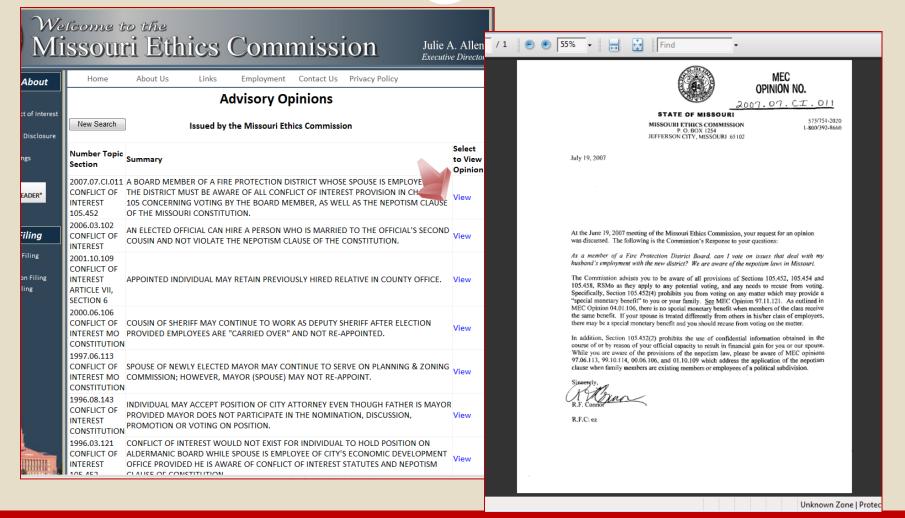
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## Complaints



## Investigate complaints received about:

- ✓ Campaign Finance Disclosure
- ✓ Conflict of Interest
- ✓ Lobbying
- ✓ Violation of an Order, Ordinance or Resolution dealing with official conduct
- ✓ Personal Financial Disclosure

## Complaints



## Complaints:

- Complaints remain confidential
- ✓ The Commission provides notice to the Complainant and Respondent
- ✓ The Commission's final action becomes public

222 actions taken by the Commission in 2008

## Complaints

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#### Missouri Law:

- Missouri Constitution
- Missouri Revised Statutes (§105.450-105.467)
- ✓ Local ordinances, charters, policies and procedures

## Categories:

- ✓ General
- Nepotism
- ✓ Employment
- Purchasing

Chapter 105, RSMo.
Applies to public officials and employees



#### **General Provisions:**

- ✓ A Public Official cannot:
  - Use office for financial gain for self, spouse, dependent child
  - Vote to hire person(s) related by 4<sup>th</sup> degree by blood/marriage
    - Great grandchild, grand niece/nephew, 1<sup>st</sup> cousin
  - Perform services, sale, rent or lease property, transact business for pay > \$500/transaction or \$5,000/year unless properly bid



## Nepotism:

- ✓ Definition (Art. VII, Sect 6 MO Constitution):
  - Public officer/employee naming or appointment to public office or employment a relative within the 4<sup>th</sup> degree by blood or marriage
- ✓ Requirement Forfeit of office
  - Because a public officer/employee automatically forfeits their office/employment upon violation, a legal action may be pursed to remove the individual from office/employment



## Nepotism:

- Existing employees
  - The constitutional provision applies to the naming or reappointing. You should not reappoint or vote on the appointment/employment. You should recuse yourself from voting on anything that may directly affect/give special monetary benefit to a family member. Also consult the specific policies and procedures.





#### Elected/Appointed Public Official

- Employment:
  - The following cannot be employed in another capacity by the political subdivision
    - An elected or appointed public official, in an executive or administrative capacity. (§105.454 RSMo.)
    - Members of the general assembly and statewide elected officials (§105.456 RSMo.)
    - Members of any legislative or governing body of any political subdivision (§105.458 RSMo.)

Candidates and Employees should consult local policies and procedures.



- ✓ Employment Examples:
  - City Alderman cannot also be a city employee
  - School board member cannot also serve as a school district employee, (ie: a paid substitute teacher)
  - Mayor cannot also serve as an employee in another capacity



- Employment Additional compensation:
  - Employees can only earn from the political subdivision what the political subdivision has established by law.
  - Example: If a mayor's salary is established by ordinance or law there can be no additional compensation received from the political subdivision for any services.





- Employment Conducting Business
  - Generally, an official may perform services, sell, rent or lease property in excess of \$500/transaction or \$5,000/year upon public notice and competitive bidding, provided the awarded bid is the lowest received.
  - Consult local policies, procedures and statues (Chapter 105 RSMo.) for specific financial transactions permitted.



- ✓ Purchasing
  - Chapter 50, RSMo. county
  - Chapter 105, RSMo. public officials
  - Adopted purchasing policies educate!
  - Most purchasing policies require:
    - Bid requirement \$ threshold
    - Public notice of the bid specifications bid consideration criteria
    - Sealing of bids
    - Acceptance of lowest or lowest and best bid





- ✓ Purchasing
  - Examples of Public Notice
    - Placing a notice of the required services in the local newspaper. The law or rule which requires bidding may define what public notice is necessary.
  - Bid acceptance
    - Unless the political subdivision has adopted an ordinance/policy that allows the acceptance of the lowest and best bid. Chapter 105 RSMo., requires that the public official's bid be the lowest, if accepted.



#### State Law - Other:

- ✓ Chapters 26–23: Executive Branch
- ✓ Chapters 46–70: Counties, Townships, Political

Subdivisions

- ✓ Chapters 71–100: Cities, Towns, Villages
- ✓ Chapter 190: Emergency Services
- ✓ Chapter 347–360: Corporations, Associations,

Partnerships, Public Bodies

(e.g. Industrial Development Corporations under Chapter 349)

✓ Chapters 620-680: *Other executive departments* 

#### Use of Public Funds



## Contributions or expense of public funds by officer/employee/agent is:

- ✓ Prohibited to:
  - Advocate
  - · Support, or
  - Oppose ballot measure or candidate
- ✓ Allowed for:
  - Public Appearances
  - Press Release
- ✓ Section 115.646, RSMo.





## Political Subdivision Requirements:

- ✓ Confirm annual operating budget
  - July/August annually
- ✓ If AOB > 1 million
  - Provide list of required filers
  - Sept/October annually
- ✓ Section 105.483 105.492 RSMo.



#### Required Political Subdivision filers:

(AOB >1 million):

- State and some local candidates for public office
- ✓ Those who are authorized to serve as the chief administrative office, chief purchasing officer, or full-time general counsel
- ✓ Those who promulgate or adopt rules and regulations
- ✓ Ordinance/resolution specifically requires filing or non-filing



## Political Subdivision Ordinance – (Optional):

- ✓ Allows each political subdivision the option of adopting their own method of disclosing conflicts of interest and personal financial disclosure
- ✓ State laws require that this ordinance/resolution be adopted biennually (every other year) by September 15th.
- ✓ A certified copy of the ordinance/resolution must be provided to the Missouri Ethics Commission within 10 days of adoption



## Political Subdivision Ordinance – (Optional):

- ✓ Minimum requirements include:
  - ✓ Each person, and any persons related within 1<sup>st</sup> degree, that had a transaction in excess of \$500 with the political subdivision; *or*
  - ✓ Each person who holds a substantial interest in a business that had a transaction in excess of \$500 with the political subdivision; must disclose:
    - Date of transaction
    - Identity of parties
  - ✓ Identify the Chief Administrative & Chief Purchasing Officer
  - ✓ §105.485.4 RSMo.

See sample on our website About PFD



## Forms Summary:

- Long Form
  - Personal Financial Disclosure Statement.
  - ✓ Filed by everyone unless specifically stated otherwise by political subdivision.
- Short Form
  - ✓ Financial Disclosure Statement for Political Subdivision.
  - ✓ Filed by individuals designated by political subdivision with an adopted ordinance/resolution.



#### Candidate Removal from Ballot:

- ✓ For candidates in political subdivisions with AOB over \$1 million and without an ordinance or resolution excluding candidate from filing
  - 14 days after candidacy filing date penalties
  - 21 days after candidacy filing date removal from ballot
- ✓ Both the official where candidacy filed and the candidate are notified

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Did you know?

Indication of AOB

and required filers

can be completed

online!

- 1) Personal FinancialDisclosure
- 2) Electronic Filing



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- 3) Subdivision ID
- 4) Password
- 5) Log-In



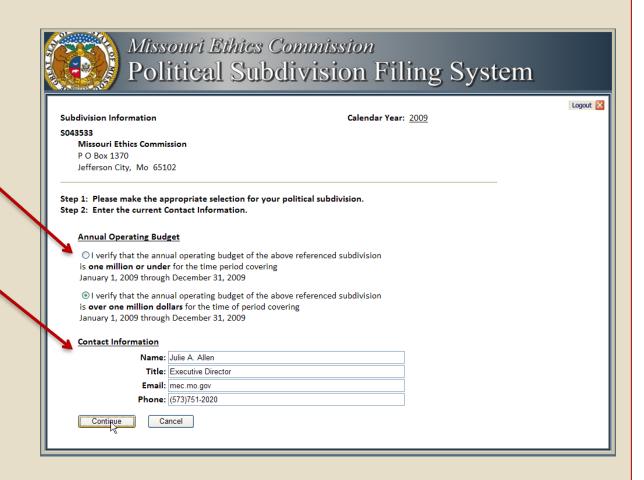
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- 6) Double-check your information
- 7) Proceed with AOB





- 8) Make selection
- 9) VerifyContactInformation



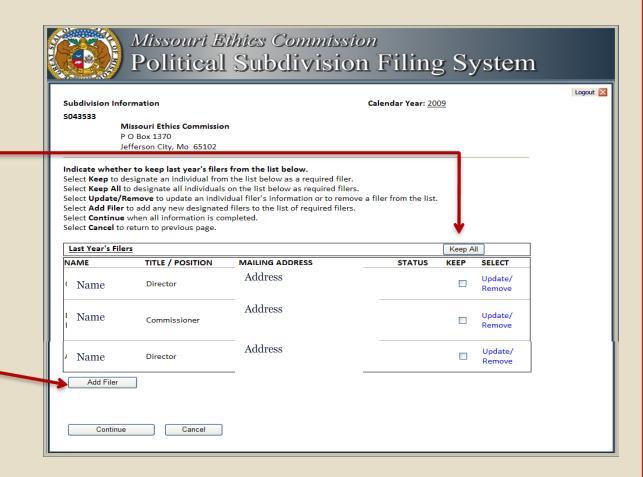
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- 10) Verify
  Information
- 11) Required Filers List





- on last year's list:
  - ✓ Keep All
  - ✓ Keep
  - ✓ Update/ Remove
- 13) Add Filer



#### Missouri Ethics Commission

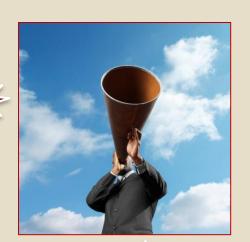


## **Coming Soon!**

- √ Campaign Finance
  - Contributions over \$5,000 search
  - Contributions and Expenditure search
- ✓ Training
  - Seminars, Webinars and On-demand tutorials



- ✓ Personal Financial Disclosure
  - Subdivisions will be able to verify if their required filers have filed their PFD



#### Missouri Ethics Commission



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